GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1046
ANSWERED ON:22.07.2016
Inflation
Munde Dr.Pritam Gopinath

Will the Minister of FINANCE be pleased to state:

(a) the present rate of inflation;

(b) whether as per survey conducted by the Reserve Bank of India (RBI) there is no possibility of rate of inflation coming down till the next year, if so, the details thereof; and

(c) the steps taken/proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) As per the latest data released by the Central Statistics Office (CSO), the rate of inflation based on Consumer Price Index (Combined) for the month of June 2016 stood at 5.77 per cent.

(b) As per the latest round (May 2016) of bi-monthly Survey of Professional Forecasters, conducted by the Reserve Bank of India (RBI), median forecast of Consumer Price Index based annual inflation rate is projected to moderate during Q3 and Q4 of the 2016-17. Further, as per the latest Inflation Expectations Survey of Households for March 2016 (43rd round), conducted by RBI, the inflation perception and expectations of households moderated as compared to December 2015 round.

(c) The Government has undertaken a number of measures to curb inflation, in particular, food inflation. The steps taken, inter alia, include, (i) increased allocation of Rs 900 crore for Price Stabilization Fund in the budget 2016-17 to check volatility of prices of essential commodities, in particular of pulses. (ii) decision taken to create buffer stock of Kharif and Rabi pulses through domestic procurement and imports; (iii) announced higher Minimum Support Prices so as to incentivize production; (iv) issued advisory to States/UTs to take strict action against hoarding and black marketing under the Essential Commodities Act 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980; (v) The Government has taken necessary steps to maintain sufficient stocks of sugar in the country. It has imposed 20 per cent duty on export of sugar and has empowered state governments to impose stockholding limits on traders to ensure availability of sugar at reasonable prices.
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